

Department of Economic Development

Comparison of Budgeted to Total Recommended

Means of Financing & Table of Organization	Existing Oper Budget as of 12/03/04	Recommended FY 2005-2006	Total Recommended Over/ Under EOB
General Fund (Direct)	\$42,837,060	\$37,938,118	(\$4,898,942)
Total Interagency Transfers	235,632	800,000	564,368
Fees and Self-generated Revenues	2,092,693	1,006,541	(1,086,152)
Statutory Dedications	50,471,344	27,267,366	(23,203,978)
Interim Emergency Board	0	0	0
Federal Funds	550,000	0	(550,000)
Total	\$96,186,729	\$67,012,025	(\$29,174,704)
T. O.	100	100	0



Office of the Secretary

Comparison of Budgeted to Total Recommended

Means of Financing & Table of Organization	Existing Oper Budget as of 12/03/04	Recommended FY 2005-2006	Total Recommended Over/ Under EOB
General Fund (Direct)	\$3,649,195	\$3,386,249	(\$262,946)
Total Interagency Transfers	0	0	0
Fees and Self-generated Revenues	189,452	339,629	150,177
Statutory Dedications	409,582	467,137	57,555
Interim Emergency Board	0	0	0
Federal Funds	0	0	0
Total	\$4,248,229	\$4,193,015	(\$55,214)
T. O.	30	31	1

Administration

Provides leadership and quality administrative services, which sustains and promotes a globally competitive business climate for retention, creation, and attraction of quality jobs and increased investment to the state.

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Statutory Dedications	409,582	467,137	57,555
Interim Emergency Board	0	0	0
Federal Funds	0	0	0
Total	\$4,248,229	\$4,193,015	(\$55,214)
T. O.	30	31	1

Major Changes from Existing Operating Budget

Justification	Funding Source	Amount
This adjustment provides for realignment changes of expenditures and a position at the department, which will focus on the basics of recruitment, retention, and entrepreneurship; the local nature of economic development; and teamwork. The cluster concept will be adapted to better fit our state and our resources, to promote job growth/improvement and increased capital investment in Louisiana.	General Fund (Direct)	\$139,704
	Fees and Self-generated Revenues	\$150,177
	Louisiana Economic Development Fund	\$57,555
	Total	\$347,436
Non-recurring Carryforwards	T. O.	1
	General Fund (Direct)	(\$321,098)
	Total	(\$321,098)



Performance Measures

Objectives	Performance Indicators	Existing Performance Standards FY 2004-2005	Performance at Executive Budget Level FY 2005-2006	Executive Budget Over/Under EOB
To establish a culture of marketing and recruitment by providing administrative oversight and leadership necessary to ensure that at least 90% of all department objectives are achieved annually.	Percent of department objectives achieved	90.0%	90.0%	0.0%
To ensure quality support services as evidenced by having no repeat audit findings.	Number of repeat audit findings	0	0	0
Take an active role in promoting a fair and equitable business environment by standardizing business permitting processes by June 30, 2010.	Number of improvements made in business permitting	Not applicable	3	Not applicable
Promote Louisiana as a preferred location to do business by participating in 20 national/international Vision 2020 targeted industry trade shows annually.	Number of Vision 2020 targeted industry trade shows participated in	20	20	0
Develop a statewide comprehensive marketing strategy by December 31, 2005.	Percent of statewide comprehensive marketing strategy complete	Not applicable	100%	Not applicable



Office of Business Development

Comparison of Budgeted to Total Recommended

Means of Financing & Table of Organization	Existing Oper Budget as of 12/03/04	Recommended FY 2005-2006	Total Recommended Over/ Under EOB
General Fund (Direct)	\$39,187,865	\$34,551,869	(\$4,635,996)
Total Interagency Transfers	235,632	800,000	564,368
Fees and Self-generated Revenues	1,903,241	666,912	(1,236,329)
Statutory Dedications	50,061,762	26,800,229	(23,261,533)
Interim Emergency Board	0	0	0
Federal Funds	550,000	0	(550,000)
Total	\$91,938,500	\$62,819,010	(\$29,119,490)
T. O.	70	69	(1)

Business Development Program

Supports statewide economic development by providing expertise and incremental resources to leverage business opportunities: encouragement and assistance in the start-up of new businesses; opportunities for expansion and growth of existing business and industry; partnering relationships with communities for economic growth; learning and career development opportunities for the state's workforce; expertise in the development and optimization of global opportunities for trade and inbound investments; protection and growth of the state's military presence; economic development research to identify growth potential and maintain competitiveness; communication, advertising, and marketing of the state as a premier location to do business.

Comparison of Budgeted to Total Recommended

Means of Financing & Table of Organization	Existing Oper Budget as of 12/03/04	Recommended FY 2005-2006	Total Recommended Over/ Under EOB
General Fund (Direct)	\$39,137,667	\$34,551,869	(\$4,585,798)
Total Interagency Transfers	235,632	800,000	564,368
Fees and Self-generated Revenues	1,182,000	111,010	(1,070,990)
Statutory Dedications	10,777,429	11,264,109	486,680
Interim Emergency Board	0	0	0
Federal Funds	550,000	0	(550,000)
Total	\$51,882,728	\$46,726,988	(\$5,155,740)
T. O.	50	56	6

Major Changes from Existing Operating Budget

Justification	Funding Source	Amount
Non-recurring adjustment for a BA-7 providing funding for the statutorily dedicated Louisiana Economic Development (LED) Fund. This BA-7 was approved by the Joint Legislative Committee on the Budget (JLCB) on November 19, 2004 to provide one-time funding to Northrop Grumman to modernize the Avondale Shipyard.	Louisiana Economic Development Fund	(\$3,500,000)
	Total	(\$3,500,000)
Funding provided to the England Economic and Industrial Development District for repayment of debt service for public infrastructure to construct a manufacturing facility in Alexandria, Louisiana for Union Tank Car. FY 2005-2006 is the first year of a 15 year commitment.	General Fund (Direct)	\$1,538,250
	Total	\$1,538,250
One time funding provided for advertising, promotion, and marketing related services for the Department's programs with emphasis on an economic approach targeted at identified economic development clusters and any other services deemed necessary.	Marketing Fund	\$4,232,500
	Total	\$4,232,500



Major Changes from Existing Operating Budget

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	Fees and Self-generated Revenues	\$36,010
	Louisiana Economic Development	
	Fund	\$202,084
	Total	\$98,390
The State's commitment of a loan guaranty is no longer necessary due to the loan associated with the Alliance Compressors being paid in FY 2003-2004. A BA-7 was approved by JLCB on December 17, 2004 to reduce the FY 2004-2005 Fees and Self-generated Revenues.	T. O.	6
	Fees and Self-generated Revenues	(\$1,182,000)
	Total	(\$1,182,000)
Reduction to reflect fund balance for FY 2005-2006. The Small Business Bonding Program is appropriated \$1,200,000 in statutory dedications for FY 2004-2005. Based on current cash flow projections, the fund balance will be approximately \$1,000,000.	Small Business Surety Bonding	
	Fund	(\$185,396)
	Total	(\$185,396)
Reduction due to the anticipated needs of the three wet lab facilities in Shreveport, New Orleans, and Baton Rouge for FY 2005-2006.	General Fund (Direct)	(\$131,835)
	Total	(\$131,835)
This adjustment will provide funding for the Microenterprise Initiative from Temporary Assistance to Needy Families (TANF) from the Department of Social Services. This initiative's intent is to help prepare citizens of the state to become economically self-sufficient through self-employment by enhancing their access to business capital, technical assistance, and training. Non-recurring Carryforwards	Interagency Transfers	\$750,000
	Total	\$750,000
	General Fund (Direct)	(\$2,243,121)
	Interagency Transfers	(\$185,632)
	Federal Funds	(\$400,000)
	Marketing Fund	(\$262,508)
	Total	(\$3,091,261)

Supplementary - Fiscal Year 2003-2004 General Fund Surplus and Mineral Revenue Audit and Settlement Fund monies to defease debt in Fiscal Year 2004-2005

Justification	Funding Source	Amount
Funding provided to the Independence Bowl Foundation in Shreveport, Louisiana.	General Fund (Direct)	\$359,160
	Total	\$359,160
Funding provided for the Greater New Orleans, Inc. to host the New Orleans Bowl.	General Fund (Direct)	\$335,217
	Total	\$335,217
Funding provided to the Nokia Sugar Bowl to be a member of the College Football Alliance.	General Fund (Direct)	\$1,053,539
	Total	\$1,053,539
This adjustment represents one-half of the funding provided for the Governor's Economic Development Rapid Response Program, which provides a rapid response capability for securing economic development opportunities for the state.	General Fund (Direct)	\$5,000,000
	Total	\$5,000,000

Performance Measures

Objectives	Performance Indicators	Existing Performance Standards FY 2004-2005	Performance at Executive Budget Level FY 2005-2006	Executive Budget Over/Under EOB
To meet or exceed customer expectations as evidenced by achieving an 85% satisfaction (or higher) rating from stakeholders.	Percent of stakeholders satisfied with business development assistance	Not applicable	85.0%	Not applicable



Performance Measures

Objectives	Performance Indicators	Existing Performance Standards FY 2004-2005	Performance at Executive Budget Level FY 2005-2006	Executive Budget Over/Under EOB
To effectively engage in collaborative initiatives and interactions to increase access to small business assistance/business development services, thereby having Louisiana certified small businesses exceed the national 2-year survival rate of small businesses annually.	Economic Development dollars brought into Louisiana through competitive grants (in millions)	\$2.5	\$1.5	(\$1.0)
	Percentage by which certified companies 2-year survival rate exceeds similar companies	10.0%	10.0%	0.0%
To develop and improve the skill sets of Louisiana citizens through collaborations with the State's universities and community and technical colleges and to foster technology transfer out of the state's university system.				
	Percent of capacity building initiatives benefiting rural areas	Not applicable	25%	Not applicable
To improve the state's ranking by at least four economic development national ranking groups.	Number of national ranking reports showing Louisiana with an improved state ranking over previous periods	2	4	2
To assist employers to coalesce into Vision 2020 industry clusters by recruiting, retaining, or expanding targeted companies and achieving an 85% satisfaction level among targeted businesses assisted with marketing.	Percent of targeted businesses satisfied with marketing assistance	Not applicable	85%	Not applicable
	Number of projects resulting in recruitment, retention, and/or expansion of companies	Not applicable	103	Not applicable
	Number of public infrastructure development projects	Not applicable	42	Not applicable

Business Incentives Program

Administers the Department's business incentives products through the Louisiana Economic Development Corporation and the Board of Commerce and Industry.

Comparison of Budgeted to Total Recommended

Means of Financing & Table of Organization	Existing Oper Budget as of 12/03/04	Recommended FY 2005-2006	Total Recommended Over/ Under EOB
General Fund (Direct)	\$50,198	\$0	(\$50,198)
Total Interagency Transfers	0	0	0
Fees and Self-generated Revenues	721,241	555,902	(165,339)
Statutory Dedications	39,284,333	15,536,120	(23,748,213)
Interim Emergency Board	0	0	0
Federal Funds	0	0	0
Total	\$40,055,772	\$16,092,022	(\$23,963,750)
T. O.	20	13	(7)



Major Changes from Existing Operating Budget

Justification	Funding Source	Amount
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	Louisiana Economic Development Fund	(\$259,639)
	Total	(\$445,826)
	T. O.	(7)
Non-recurring Carryforwards	Louisiana Economic Development Fund	(\$23,496,923)
	Total	(\$23,496,923)

Performance Measures

Objectives	Performance Indicators	Existing Performance Standards FY 2004-2005	Performance at Executive Budget Level FY 2005-2006	Executive Budget Over/Under EOB
Establish and maintain a 90% satisfaction level with LED services for all participants of incentive products administered by LED through the Board of Commerce and Industry (C&I) and through the Louisiana Economic Development Corporation (LEDC) Board.	Satisfaction level of incentive applicants to the C&I Board	85%	90%	5%
	Satisfaction level of incentive applicants to the LEDC Board	Not applicable	90%	Not applicable
Market incentive products so that a 90% satisfaction level is achieved among businesses and communities.	Percent of participants rating workshops and briefings as informative/effective	85%	90%	5%
To engage in 150 collaborations/interactions with marketing on business recruitment or expansion projects annually.	Number of collaborations/interactions on business recruitment, retention, or expansion projects	150	150	0

Cluster Services

The Cluster Services Program, including funding and performance information, has been consolidated with the Business Development Program within the Office of Business Development.

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Means of Financing & Table of Organization	Existing Oper Budget as of 12/03/04	Recommended FY 2005-2006	Total Recommended Over/ Under EOB
General Fund (Direct)	\$0	\$0	\$0
Total Interagency Transfers	0	0	0
Fees and Self-generated Revenues	0	0	0
Statutory Dedications	0	0	0
Interim Emergency Board	0	0	0
Federal Funds	0	0	0
Total	\$0	\$0	\$0
T. O.	0	0	0



Major Changes from Existing Operating Budget

Justification	Funding Source	Amount
There are no major changes in funding other than standard statewide adjustments.		



Discretionary and Non-discretionary Expenditures Total Recommended Fiscal Year 2005 – 2006

Office of the Secretary		General Fund	Total	T. O.
DISCRETIONARY				
Discretionary/Non-Exempt	Administration	\$3,154,183	\$3,955,510	31
	Total	\$3,154,183	\$3,955,510	31
TOTAL DISCRETIONARY		\$3,154,183	\$3,955,510	31
NON-DISCRETIONARY				
ND - Unavoidable Obligation	Administration	\$232,066	\$237,505	0
	Total	\$232,066	\$237,505	0
TOTAL NON-DISCRETIONARY		\$232,066	\$237,505	0
Grand Total		\$3,386,249	\$4,193,015	31

Office of Business Development		General Fund	Total	T. O.
DISCRETIONARY				
Discretionary/Non-Exempt	Business Development Program	\$28,308,079	\$36,983,198	56
	Business Incentives Program	0	16,041,751	13
	Cluster Services	0	0	0
	Total	\$28,308,079	\$53,024,949	69
TOTAL DISCRETIONARY		\$28,308,079	\$53,024,949	69
NON-DISCRETIONARY				
ND - Needed to pay Debt Servic	Business Development Program	\$6,200,775	\$9,700,775	0
	Total	\$6,200,775	\$9,700,775	0
ND - Unavoidable Obligation	Business Development Program	\$43,015	\$43,015	0
	Business Incentives Program	0	50,271	0
	Total	\$43,015	\$93,286	0
TOTAL NON-DISCRETIONARY		\$6,243,790	\$9,794,061	0
Grand Total		\$34,551,869	\$62,819,010	69



